GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA

UNSTARRED QUESTION NO:1899
ANSWERED ON:09.03.2001
DISINVESTMENT OF PSUS
GADDE RAMAMOHAN;M.V.V.S MURTHI;SHIVAJI MANE

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the Government have prepared a policy outline for complete privatisation of the 246 PSUs in the next ten years as reported in Hindustan Times dated the December 20, 2000.

(b) if so, the details in this regard;

(c) whether the Government have also a proposal to create an independent organisation to speed up the process of disinvestment;

(d) if so, the details thereof;

(e) whether the Government have also a proposal to invest fifty percentage of money generated through disinvestment in social sectors; and

(f) if so, the details in this regard?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE DEPARTMENT OF DISINVESTMENT, MINISTER OF STATE IN TH MINISTRIES OF PLANNING, STATISTICS & PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES (SHRI ARUN SHOURIE)

(a) No, Sir.

(b) Does not arise.

(c) No, Sir. There is no proposal to create an independent organisation to speed up the process of disinvestment. The Department of Disinvestment is entrusted with the responsibility of implementing the disinvestment programme.

(d) Does not arise.

(e) & (f) No, Sir. The policy of the Government in regard to the utilisation of disinvestment proceeds is clearly stated in the Budget Speech for the year 2000-2001. The entire receipt from disinvestment and privatisation will be used for meeting expenditure in social sectors, restructuring of PSUs and retiring public debt. For the year 2001-2002 the disinvestment target has been fixed at Rs. 12,000 crore. An amount of Rs. 7000 crore out of this will be used for providing restructuring assistance to PSUs, safety net to workers and reduction of debt burden. A sum of Rs. 5000 crore will be used to provide additional budgetary support for the plan primarily in the social and infrastructure sectors.